

Draft Minutes
Delta Protection Commission Meeting
Thursday, September 27, 2001

1. Call to Order.

The meeting was called to order at 6:30 p.m. by Chairman Patrick N. McCarty. Commissioners present were: Brean, Cabaldon, Calone, Coglianese, Curry, Ferguson, Macaulay, Nottoli, Sanders, Shaffer, van Loben Sels, and Wilson. Commissioners absent were: Bedford, Curtis, Gleason, Glover, McGowan and Thomson.

2. Public Comment Period for Items not on the Agenda.

Pat Fitzmorris, Ducks Unlimited, Project Biologist for the Delta Region, advised that he would be working on the Delta Rice Project, which is intended to develop incentives for farms to increase rice production in the Delta.

3. Minutes of Last Meeting.

Commissioner van Loben Sels requested a correction referencing the location of the Tule Ranch in the Yolo Bypass. He also noted that the two-thirds of the Glide Property is intensively irrigated pasture land.

Commissioner Cabaldon stated that on the Yolo Bypass acquisition item, a motion was adopted that was not included in the minutes. The motion was to support the acquisition, with specified conditions; the Commission voted in support of that motion.

On a motion by Chairman McCarty to approve the minutes with amendments; and a second by Commission Wilson, the minutes were approved by a voice vote. Commissioners Coglianese and Nottoli abstained due to absence.

4. Chairman's Report.

Chairman McCarty announced the next DPC meeting is scheduled for November 15, 2001 at the Jean Harvie Community Center. Tentatively scheduled for that meeting is a briefing on the 2001 CALFED ecosystem restoration grant applications and review and comment on the new park proposed at Big Break by the East Bay Regional Park District. He said there will be an Agricultural Committee meeting on October 23, 2001. He said the U.S. Department of Agriculture Secretary, Ann Veneman, appointed former DPC Commissioner, A.J. Yates, Administrator of the USDA's Agricultural Marketing Service; and, former Commissioner Donald Murphy has been appointed to the number two spot at the National Park Service.

5. Commissioner Comments/Announcements. There were none.

6. Attorney General's Report. Marian Moe, Attorney General's Office, had no report.

7. Executive Director's Report.

Ms. Aramburu reported on staff activities as described in memo distributed at the meeting. She said the Delta Dredge and Reuse Strategy will be delayed approximately six months. Regarding Staten Island, the legal documents are still in preparation. When the documents are completed, DPC will invite the agencies to explain how they have addressed the Commission's concerns.

Ms. Aramburu said the East Bay Regional Park District (EBRPD) has released their management plan for the development and management of the new park proposed in Big Break in the Primary Zone. This is the first new public park proposed in the Primary Zone since the Commission started meeting in 1993.

Concerning the Yolo Bypass acquisition, Ms. Aramburu said attended a meeting of the Wildlife Conservation Board and presented the Commission's comments. DFG had responded and agreed to conform to the Commission's comments.

Mr. Tom Zuckerman, co-counsel for the Central Delta Water Agency, said that the DPC will be receiving a copy of a letter that the Agency addressed to the DWR stating that they continue to be concerned about commitment to agricultural operations on Staten Island. SDWA believes the normal process of going through studies, management plans, and environmental reports, was circumvented by the use of nonprofit corporations to be the acquirer of the property, although funds are coming from the two bond issue sources that fund CALFED. People may be concerned about how flood waters are going to be handled through Staten Island, since approximately \$17 million of the acquisition funding is coming from a flood control bond provision. SDWA doesn't believe an adequate study of that has been done and perhaps not sufficient funding set aside to do the things necessary to control flooding of the island. Mr. Zuckerman suggested that a request be made to the DWR to require the Commission be a signatory of the Staten Island acquisition documents. He said the DPC would make sure the wildlife friendly agricultural features and other concerns discussed are actually enforced in the future.

Commissioner Wilson asked if the Commission did want to consider Mr. Zuckerman's suggestion, would it have to be agendaized for the next meeting; Chairman McCarty replied the Commission could insert themselves into the process now and bring back a specific proposal at the January meeting.

Commissioner Macaulay stated the DWR director is in the process of signing both the documents and agrees with the concerns that Mr. Zuckerman raised about the Commission's role in how land use changes may be contemplated. The DWR may support active engagement of the Delta Protection Commission in any subsequent changes in land use on the property.

Ms. Aramburu said the documents are currently being finalized and there are references to the Delta Protection Commission in the role of overseeing and participating in the planning processes associated with the North Delta project. At the November meeting, there will be a briefing by representatives of DWR and Resources Agency.

Mr. Zuckerman said there is a concern that the other signatories to the document may never enforce the provisions of the document because wildlife friendly agriculture is not the primary focus of DWR, DFG and WCB or The Nature Conservancy.

Chairman McCarty suggested that the Commission's concerns be expressed and brought back at the November meeting. Ms. Aramburu said that since the documents are finalized, she will request legal counsel to review them.

8. Briefing on CALFED In-Delta Storage Program.

Chairman McCarty said the DWR staff will brief the Commission on the in-Delta component of CALFED's storage program. The Record of Decision (ROD) directed project-specific study of a 250 TAF (thousand acre foot) in-Delta surface storage project; one of 12 potential surface storage projects identified statewide in the programmatic EIR/EIS.

Ms. Aramburu said there was a public meeting regarding in-Delta Storage September 26, at the San Joaquin County Farm Bureau office in Stockton.

Chairman McCarty commented that this item is not agendized for Commission action at this meeting. If anyone in the audience wishes to address the Commission tonight on this item and feels that action is necessary, it would be agendized for the November meeting; or, as an alternative, the DPC can provide some direction to the Executive Director who will make those comments and provide those specific issues at the next CALFED Management Team meeting or other forums where she participates. Chairman McCarty introduced Dennis Majors, CALFED Delta Program Manager.

Mr. Majors said there are statements in the ROD that talk about looking specifically at the Delta Wetlands project at the end of this year and assessing it in terms of technical feasibility. That is being done now by Steve Roberts, branch head of the surface storage office at DWR. The presenter will be Paul Sandhu, the head of the overall study effort.

Mr. Sandhu presented an overall overview detailing background, proposals and what the status is of some of the investigations for the in-Delta Storage Program. The CALFED

ROD identified in-Delta Storage as one of three Stage 1 surface storage projects: Los Vaqueros, Shasta, and In-Delta. The ROD also identified Sites Reservoir and additional groundwater storage in San Joaquin County. The ROD did provide for an option where Delta Wetlands, technical, and financial feasibility will be studied; if its found to be infeasible, other alternatives for in-Delta storage can be looked at.

The ongoing feasibility study is investigating the original Delta Wetlands Project proposal, which involves Webb Tract and Bacon Island as the storage. In case DWR finds that Delta Wetlands needs improvement, that means it needs re-engineering islands, and Holland Tract and Bouldin Island as habitat development. DWR is also evaluating an alternative to add Victoria Island as a reservoir; and keep Webb Tract in agriculture.

Mr. Sandhu said they will be evaluating drinking water quality and impacts of seepage on the adjacent islands. In terms of engineering and geo-technical investigations, the areas of concern are the existing levees, the seismic risk or failure of these structures, and seepage. DWR is looking at impacts on environmental resources, any jurisdictional wetlands and neighboring lands, and what should be the mitigation strategy. DWR will be looking at the economic and financial feasibility of the project; what will be the cost and benefits coming out of this project, and what are the consequences in case the Delta Wetlands Project is derailed. There are legal and policy issues and risks to the implementing agencies.

Commissioner van Loben Sels asked if the total habitat would be 10,000 acre feet and the total for storage would be 10,000 acre feet, four islands totaling 20,000 acres; Mr. Sandhu agreed. Commissioner van Loben Sels stated concerns that because of the unique hydrology in the Delta, if you identify that there will be a seepage impact on adjacent property, does that stop the project until you can mitigate for it? Is DWR stating to the neighboring property owners that will be no seepage? Mr. Sandhu said DWR has to find ways so that there is no seepage and if there is seepage, to control it. Commissioner van Loben Sels asked if DWR is stating that if the study indicates there will be seepage, they will not put water on the island? Mr. Sandhu said if there is a risk of seepage, then there is a problem. He said that DWR will be doing a further detailed investigation on this in a supplemental EIR/EIS.

Commissioner van Loben Sels expressed concern over possible seepage on nearby ag. Islands. He said his first concern is the study of seepage and what will the mitigation be for any seepage. His second concern was loss of taxes on 20,000 acres of Delta Ag. Land if the project is owned by the State or federal government.

Mr. Sandhu replied that the property is a joint project of the federal and State government, and would likely be under joint federal and State management. DWR will have to analyze fiscal impacts in its supplemental financial analysis. DWR will be testing some of the cost evaluations in terms of cost benefit analysis; benefit coming out as a yield out of this project in terms of total water supply available and what will the cost be. He said the project will need more detailed study.

Commissioner van Loben Sels said his third area of concern is taking such a large area out of agriculture; he asked how DWR will mitigate the loss of 16,000 acres removed from agriculture. Mr. Sandhu responded, agriculture protection is being evaluated. There is a possibility of protecting agriculture land in other parts of the Delta to provide a mitigation to the lost lands. Commissioner van Loben Sels said that mitigation in this document is not mitigation; it's how do minimize the impacts of loss of ag land. Mr. Sandhu said but certainly in the details to the attorneys, will be look into the mitigation question.

Commissioner Wilson asked if the project would incorporate mitigation for the loss of ag land, for example, two for one ratio of a permanent ag easement of other lands in the Delta; Mr. Sandhu said DWR would look into it.

Commissioner Wilson asked if the conversion of ag land is subject to NEPA and CEQA? Steve Roberts, DWR Branch Chief, replied that all the work that DWR will be doing is subject to environmental review. He said some land purchases do take place under categorical exemptions, however, once another action is proposed, for example conversion to another use would trigger an EIR/EIS. Commission Wilson asked if acquisition is subject to CEQA? Mr. Roberts said yes, the acquisition could be done through a categorical exemption if the purchase of the land requires no further action and if there is a willing seller. If DWR does go through the acquisition process, that would have to be documented through the CEQA/NEPA process. The first goal is to look at the project as proposed by the Delta Wetlands project to see if it's going to meet the needs of DWR and the Bureau of Reclamation. If it's determined the project could provide benefits, then State and federal agencies would prepare a supplement to the environmental documents already prepared.

Commissioner Wilson asked, if DWR could acquire these four islands, with a categorical exemption; Mr. Roberts responded DWR would likely use a negative declaration. Commissioner Wilson asked if DWR could change the land use to habitat without a document? Mr. Roberts responded, no. If DWR took land out of agriculture and into habitat, an environmental document would be prepared. There will be ample opportunity for the public and other stakeholders to comment on the process that DWR goes through. DWR welcomes participants, especially people that live, work and depend on the Delta for their livelihood, to be a part of the process.

Commissioner Cabaldon asked about the project's impact on water quality on the flooded islands, such as dissolved oxygen problems; Mr. Sandhu replied the State Water Resources Control Board did put certain restrictions on storage releases. Commissioner Cabaldon said he understands the storage release issue, but has concerns with the habitat section. He asked Ms. Aramburu to provide some background information on the Commission's work on this project in the past.

Chairman McCarty explained that this project was underway when the Commission was created and the Delta Protection Act states: "permit water reservoir and habitat development that is compatible with other uses". The issues that are being raised tonight

deal with that incompatibility with the adjoining island uses. When the Act was drafted, no one could predict the acreage now proposed for retirement from agriculture.

Commissioner Wilson added that the original concept was private ownership of the Delta Wetlands Project, which would retain the local tax base.

Commissioner Coglianesi asked what impacts, were forecasted on the trans-Delta State highways, e.g., State Route 12 and State Route 4. She said her concerns also include: flooding, tule fog, and mosquito habitat.

Ms. Aramburu said she would prepare a memo regarding the Delta Wetlands project. Staff will prepare an updated map and acreage numbers.

Commissioner Macaulay said he wants to clarify what the role of DWR and the Bureau of Reclamation. He said the CALFED ROD, adopted August 28, 2000, requires evaluation of the project as an in-Delta Storage compliment of the CALFED program. The evaluation is due by December 31, 2001.

Commissioner Shaffer asked about Alternative 3; Mr. Sandhu said Alternative 3 would add Victoria Island as a water storage island, and Webb Tract would be mitigation site.

Commissioner Ferguson asked how many acre feet a year of water can be transferred through the Delta from the Northern Stanton Island to the Clifton Court Forebay. Mr. Sandhu replied that the project is a little more than 100,000 acre feet and the previous Delta Wetlands modeling indicated that this would be minimum coming out of Delta islands. It may not, however, all go for exports and some could be used for the environmental water account and in-Delta use. Commissioner Ferguson asked if there would be an impact to the South Delta, such as loss of ag ground and water quality; Mr. Sandhu said only surplus water will be stored; there won't be any loss to Delta water supply.

Ms. Aramburu offer to notify Commissioners of any other public meetings where briefings on this project are being presented by CALFED.

Chairman McCarty suggested Alternative 3 should consider agricultural preserve for economic intensive agriculture on some of those lands which would better balance the goals and objectives of this Commission. Mr. Sandhu said they would definitely look into it.

Chairman McCarty opened the public hearing.

Reni Della Maggiore, the Duncan Company, Woodbridge, asked what portions of Holland Tract are being considered for acquisition by DWR; Mr. Sandhu said DWR is looking at the part owned by Delta Wetlands.

Tom Zuckerman, Central Delta Water Agency, said that the Agency has a number of concerns regarding Delta wetlands storage project. They have been addressed in the forms of: protests; petitions for reconsideration; and, pleadings in the courts. First, on legislative support after spending time in Washington and California capitals, he hasn't found any support, with the exception of one U.S. Senator. Local representatives are unanimously opposed to the concepts of storing water in the Delta. He is concerned that CALFED is going through on the sequential feasibility study of various projects (enlarge Shasta, enlarge Los Vaqueros, the Sites Reservoir, Delta storage, etc.), which would all be dependent on the same water supply. This would be unregulated flow into the Delta and whether you stop it at Shasta or pick it up at Los Vaqueros, He asked how CALFED will study the relative benefits of these various proposals. He suggested making an early decision to ahead with the Delta Storage Project and acquiring land would foreclose the other projects before they got started because the surplus water supply DWR is depending on for those other projects would have been committed to this project. San Joaquin County is interested in finding ways to address exhausted groundwater in the eastern part of the County. The Agency's request is that DWR study replenishing the groundwater basin on the eastern part of the County as a means of storing the water without seepage loss or excessive transpiration problems, without water quality problems, or devastation of productive farm land. Mr. Roberts responded DWR is in the process of improving their operational models so that they can assure they're not "double dipping" on the water. Conceivably, some of that water could be used for the environmental water account, but DWR also has to make sure that water, is there, and is indeed going to be there. Regarding the decision making process, the CALFED program has set linkages in the decision making process to ensure that the decisions about programs are made either on a concurrent basis with other programs which may serve a similar purpose, benefit or need, and other programs which should be moving together are. There is a potential that this project could come in quicker than others simply because the Delta Wetlands Corporation has spent about 14 years going through the environmental process, to the point where they have water rights.

Jim Eastin, General Manager, Delta Wetlands Project, said the project is privately owned and was conceived in the mid 1980's. They filed their first water right permit or application for water right permit in 1987. Since that time they have labored to get the permitting process completed and have spent much more money in the permitting process. Delta wetlands does have a water right permit and is capable of being implemented within two years. He said they would be happy to make a presentation to the DPC or individual members. He said that this is a well conceived project that has a great deal of potential public benefit, and said Delta Wetlands is striving to address all of the concerns about the project.

Ben Hulse, San Joaquin County Planning Director, said the County is concerned about the loss of agricultural lands in San Joaquin County; 10,000 acres of which 5,000 acres would become a reservoir and 5,000 acres would become wetlands. If the project now involves State and federal agencies, CALFED needs to recognize that there's a deficiency in the EIR, in the County's opinion. That deficiency is that there is no mitigation for the loss of agricultural lands. The EIR identifies that the loss of ag lands is significant, and

yet it provides no mitigation despite the fact the CEQA requires that mitigation needs to be provided. That mitigation doesn't necessarily have to reduce it to less than significant; but an applicant still has to provide mitigation to reduce the impacts or to avoid or compensate for the loss of agricultural lands. DPC's policies recognize the need to mitigate for the loss of ag land and there are a number of techniques available. The County has joined the Central Valley Water Agency in a lawsuit because of the lack of mitigation. If the project is going to go forward, the State and federal agencies will need to address the loss of ag land.

Chairman McCarty advised those who wished updated information on this project, to take advantage of the offer of a briefing on the Project by either the State, CALFED staff, or the project owners. Also, he suggested that staff provide the commissioners new information on this Project, at the next meeting.

9. Consideration and Possible Action on a Sacramento, San Joaquin River Delta Regional Implementation Plan [8/31/2001 draft]

Chairman McCarty stated that the Commission will consider and possibly adopt comments on the proposed Delta Implementation Plan. The Plan has been reviewed twice by the CALFED Committee. The CALFED program and CALFED agencies are approaching many ecosystem and water management issues from a regional perspective because regional issues need regional solutions.

Commissioner Wilson, Chair on the CALFED Committee, said the Committee met twice to review the Implementation Plan and were pleased with the intent of the Plan to provide a lot of information. CALFED Committee made some comments that were included in the revised first draft. In light of all the land acquisitions, the Commission needs to inject its proposals and thoughts early in the process. The staff report does include comments made in the second meeting and they should be incorporated in the next draft, assuming CALFED agrees with them.

Commissioner Coglianese stated that at the July meeting of the Committee, it was noted that there was no reference to the proposal for a research facility or field station in Rio Vista, and it was also acknowledged by the Committee that is a proposal of the science program. She said that she had spoke to Mr. Majors who advised that was an oversight.

Ms. Aramburu said Mr. Sanders also presented some editorial changes which the staff would submit to CALFED for incorporation.

Chairman McCarty stated that the Committee's recommendation is to approve the draft plan, with amendments.

Commissioner Wilson clarified that if CALFED agrees to make the recommended changes, the CALFED Committee believes that the Delta Protection Commission should write a letter of support for the Delta Implementation Plan.

Commissioner van Loben Sels expressed concern about acquisitions based on “willing sellers” rather than a regional implementation plan. He suggested the Commission should map areas that will be preserved for agriculture and agriculture alone.

Commissioner Shaffer said there’s also a effort to develop a Delta Ecosystem Restoration Program Implementation Plan and suggested that the DPC make a recommendation that the Implementation Plan is not complete until the Delta ecosystem restoration program plan is merged into this document.

Dennis Majors, CALFED, said he concurs with Commissioner Shaffer’s comments. He said the Implementation Plan is still in review, by some of the other agencies. He said the Plan is intended for an internal CALFED audience, but also an external audience. There should be an external review done on this in approximately one month. What CALFED heard loud and clear at the last CALFED Committee was this issue of early warnings on land acquisitions. He said each Commissioner received an interactive CD that shows virtually everything that’s happening in the Delta. He said the ERP includes incentive based eco-friendly Ag program where land stays in private ownership, and incentives are made to keep it private and grow eco-friendly crops. Those are two issues that CALFED is totally committed. The Plan is an evolving document that can change, but it is going to go through the management group for “approval” as a working tool for implementing improvements in the Delta. It includes only “through Delta”, conveyance; no other concepts of moving water through the Delta, such as an isolated facility. CALFED is open to the comments that have been to date, and totally supportive of them.

Chairman McCarty said the DPC wants a plan that addresses ecosystem restoration, protection of agriculture and recreation. He said while this plan is commendable, there are still some pieces missing. Mr. Majors said to the extent that those areas have been developed, CALFED has included them. As they get more refinement, revise the Plan.

Chairman McCarty asked for public comments; there were none.

Commissioner Wilson made a motion to include tonight’s comments including Commissioner van Loben Sels concerns about willing sellers, Commissioner Sander’s comments, and the CALFED Committee comments in a letter in support for this document; Commissioner van Loben Sels seconded the motion. The motion passed unanimously by voice vote.

10. Consideration and Possible Acceptance of Work Product: Delta Recreation Master Plan Request for Proposals.

Chairman McCarty stated that the Commission will review and possibly accept the work product from consultant, Dangermond Group. The consultant was asked to prepare a Request for Proposal that could be used to retain a consultant to prepare a Delta Recreation Master Plan once funds are obtained; no funds are currently available to

conduct this plan. A draft RFP has been reviewed twice by the Recreation Citizens Advisory Committee (RCAC) and the Ad Hoc Recreation Committee.

Commissioner Curry, Chairman of the RCAC, said an Ad Hoc Committee was formed three years ago consisting of representatives from State agencies, CALFED staff, private sector, as well as representatives on the original AdHoc Committee from recreation lobbying groups. The entity that is most well suited to sponsor this Delta Recreation Master Plan is the DPC; the Commission has primary responsibility to protect recreation in the Delta, therefore, should be the appropriate sponsor for conducting a Deltawide Recreation Master Plan. There is an effort to obtain funds in the FY 02/03 Budget. In preparation for that, the DPC approved funds out of the FY 00/01 Budget to contract with the Dangermond Group. The contract required a draft for Request for Proposal directed at an effort to do a Delta Recreation Master Plan. The Ad Hoc Recreation recommends that the Commission adopt the work product with the understanding that it may need some modification in the future. The Committee recommendation is that the Commission accept the work product and move forward as funds become available.

Commissioner Colone asked how much money is needed to prepare a Plan; Ms. Aramburu said somewhere between \$350,000 - \$500,000

Commissioner Cabaldon said the Plan study area needs to be better defined; Ms. Aramburu said the Commission's primary interest is the Primary Zone, but because this is being done in the context of the CALFED Program, it was important to include additional water areas, in the Secondary Zone within the Legal Delta, because people would get access to and from those waterways from the shoreline.

Commissioner Wilson said if the Commission supports the planning process, does it give the Commission a seat at the table to participate in policy discussions about Delta issues, i.e., levees; Ms. Aramburu said yes. DPC would continue in its role of coordinating public, local, state and federal participation in the study.

Commissioner Sanders acknowledged that much work has gone into this document, particularly the definition of the tasks. There needs to be some re-examination, however, within the document as to some of its provision regarding format and proposals, submitted requirements, and also the selection criteria and award of contract. There needs to be re-examination of some of the mechanics of the format and proposal, submitted requirements, selection criteria, and award of contract. He recommended additional work on the mechanics of the award process and evaluation process.

Chairman McCarty asked for public comments; there were none.

Commissioner Calone commented that agriculture and recreation have in the past gone hand in hand and that a lot of recreational hunting has taken place on agricultural lands. As more State agencies purchase ag lands, the recreational hunting aspect of that feature has been eliminated. He said large tracts of land in the Primary Zone that have been purchased by State agencies that have restricted the use of that land to public for hunting.

In the past, when it was privately owned, the public was allowed to hunt pheasants and ducks on those properties, but now it's restricted.

Commissioner Shaffer complimented Commissioner Curry and the Committee for a well thought out process and stated it should be a successful plan once the funding is obtained and it can move forward. He added that agriculture tourism is an industry that is developing and there are huge opportunities to take advantage of that in the Delta. Agriculture should be a strong component of the recreational plan and be considered as the plan is being developed.

Commissioner Cabaldon also thanked the Committee and commented that now we have an opportunity to actually advance recreation as opposed to commenting on another massive project and hoping that recreational opportunities won't be diminished. He said that the scope of the issue is an important one. The Primary and Secondary Zones are inextricably connected; the Secondary Zone areas provide the gateways to recreational opportunities in the Primary Zone. He said it is necessary to take an expansive view of that recreational component in the Secondary Zone as well for example, as cross Delta trails from Secondary Zone sites into the Primary Zone, may not all be on levee tops or on water or land sides of the levee. DPC should be thoughtful about how the Secondary Zone really interacts with the Primary Zone in terms of recreation opportunities as they currently exist and as they could exist in the future.

Commissioner Macaulay asked how the Recreation Plan is related to local planning authorities. What relationship will this have to the different counties and their planning commissioners; would this Plan incorporated into the General Plans? Brian Collette, The Dangermond Group, replied that he believes the Delta Recreation Master Plan will be a refinement of the Regional Plan. He said if the DPC adopts the Delta Recreation Master Plan as part of the resource management plan, then all the jurisdictions that surround the Delta would be required to incorporate it into their general plans. Ms. Aramburu said she sees it as a revised background report on recreation in the Delta and if study area includes more coverage in the Secondary Zone, that wouldn't be relevant to the Commission's jurisdiction. She expects to have support by local governments as well as by the CALFED agencies who are required to include recreation in all CALFED projects. She said the Commission could use this master plan as a background report to determine if they want to adopt revised policies on recreation. If they did adopt new policies on recreation, then the local governments as defined in the Delta Protection Act, would need to ensure that their general plans were in conformance with the Commission's revised policies.

Mr. Collette said they are hoping to set up a process of stakeholders including the local counties and cities as part of the stakeholder group so they would be part of that decision making process.

Ms. Aramburu said based on the technical concerns of the product, staff could work with Mr. Collette and the State agencies with expertise in these matters and bring back a revised RFP at the November meeting.

Commissioner Calone asked what effort was being made to find money to implement the Plan. Commissioner Curry responded a Budget Change Proposal has been submitted. DBW has to plan five years in advance for future projects, so this will be a significant assistance to the DBW. Being a DPC sponsored document that has agreement by a multiplicity of interests and agencies, both private and public in the Delta it becomes inordinately important to DBW as it will to the DPC.

Chairman McCarty made a suggestion to act on this item this evening and request the Committee to consider the technical comments as well as the scope and parameter comments, incorporate those to their satisfaction in the document and move forward.

Chairman McCarty asked for public comments; there were none.

Commissioner Shaffer made the motion to accept the recreation work product of the Dangermond Group subject to modifications outlined at the meeting; Commissioner Wilson seconded the motion. The motion was carried unanimously by a voice vote.

11. Consideration and Possible Action on Creation of a Steering Group to Study Formation of a Resource Conservation and Development Program.

Chairman McCarty stated that the Commission will review and possibly authorize creation of a Steering Group, with the same membership as the Agricultural Committee, to meet and confer with interested parties in the Delta, including the counties, land trusts, Resource Conservation Districts and others, regarding submitting an application to the U.S. Secretary of Agriculture to authorize and fund a Resource, Conservation and Development (RC&D) program in the Delta area. The Steering Group would report back to the Commission with a final recommendation. The purpose of the RC&D is to develop and implement regionally-specific policies and programs associated with economic and social issues of rural communities and agricultural land use.

Ms. Aramburu said the Agricultural Committee met once and received a presentation on RC&D's. The Ag Committee supported the idea of continuing to look into the formation of an RC&D because it could address some of these economic issues which have been raised by the Commission as land use change, and how those changes effect agriculture in our region. This action would authorize the Agricultural Committee to consider this matter further and report back with further information regarding the boundary, what other partners are interested in pursuing this. Dave Simpson of the Natural Resources Conservation Service was available to answer questions tonight. Also Bob Beatty and John Meek, both from the San Joaquin County Resource Conservation District already sent a letter of support to the Commissioners. The recommendation from the Ag Committee was to pursue this matter further and seek partnerships and come back with a full report to the Commission at a later date.

Chairman McCarty asked for public comments; there were none.

Commissioner Cabaldon asked that other than providing a forum for discussing issues, is there money that comes with the establishment from these districts from the federal government? Ms. Aramburu responded yes; it would provide at least one staff position. The RC&D would be an independent body, but the idea would be that it could look a lot like the Delta Protection Commission membership, but it could be set up as a non-profit entity and it would have ability to apply for certain funds that are not available to the Commission as a State agency. The Program would also have a slightly different mandate than the Delta Protection Commission. It would have resources available to look at some different areas and would partner with the Commission's mandate.

Chairman McCarty said he thinks RC&D is viewed as a companion program specifically to address rural economic development and agricultural policies that would be specific to our plan.

Commissioner Nottoli said that this is a good direction to go, in Sacramento County and surrounding counties, particularly in light of some of the flood issues of 1997. A number of programs and dollars flowed into Sacramento County to help with the restoration efforts and subsequent follow up working with land owners, farmers, the environmental community and the recreation area. He said it seems to be a positive approach and a step in the right direction that builds upon the good foundation and the RCD's already provide in the region.

Commissioner Wilson pointed out the new program is an RC&D program.

On a motion by Commissioner Calone and a second by Commissioner Wilson, the Commission voted unanimously by a voice vote to approve the designation of the Ag Committee as a Steering Group to study the formation of a RC&D Program and report back to the full Commission.

12. Consideration and possible action directing staff to work with a nonprofit partner to seek funds from the California Farmland Conservancy program to identify agricultural lands of particular importance in the Delta.

Chairman McCarty said the Commission will discuss and possibly direct staff to identify an appropriate nonprofit partner, and develop an agreement and proposed study outline for further conservation by the Commission. The American Farmland Trust (AFT) has volunteered to serve a nonprofit partner to the Commission. Grants from this program do not normally exceed \$50,000. The purpose of the study would be to identify criteria to delineate critical agricultural land in the Delta with the goal of maintaining a viable agricultural economy in the Delta area. This issue has been reviewed by the Ag Committee.

Ms. Aramburu said that at the May meeting, staff brought the idea of seeking funds to carry out a study which would help the Commission to develop criteria that could then be used to delineate critical Ag land in the Primary Zone of the Delta. The Commission

may want to be poised to provide some specific ideas to help carry out an agricultural mitigation program. This would be one tool to do that. Unfortunately, we don't have the funds in our budget this year to do this study under our own budget. There are funds available through the Department of Conservation' program, but a State agency cannot apply for those funds, so we brought to the Ag Committee the idea of a nonprofit partner to help us. At that meeting, a staff member of AFT volunteered to help. They've recently been working on a similar project for Solano County, for the Solano County Farmlands and Open Space Foundation. San Joaquin County is also applying from a similar grant, so the idea that we can build off these existing studies and interests, bring together the other counties, and work together with an appropriate nonprofit partner. She said staff would like to pursue using AFT since they have expertise and interest in this area. There is a new AFT State Director, John McCaull.

Commissioner Nottoli said that in Sacramento County, the Sacramento County Farm Bureau and the Sacramento Farmland Conservancy should be brought into the discussions very early on.

John McCaull, AFT State Director, said he was formerly the National Audubon Society's lobbyist, and the first piece of legislation he worked on was Senate Bill 1866 which created the Delta Protection Commission in 1992. He stated that AFT's work is both as a land trust and a consultant; working with local governments, sometimes entire states, on farmland protection strategies. The issues that come up in most cases deal with growth and development pressures. Here in the Delta there is pressure for habitat conversion and other uses. AFT has in-house the capacity, including mapping and analyzing costs of community services for land and agriculture vs. other uses.

Chairman McCarty asked Mr. McCaull if he had any object to working with the Sacramento Farm Bureau. Mr. McCaull said no. AFT wants to foster and assist local land trusts that are either county or locally based. AFT is helping San Joaquin County form a land trust as well.

Commissioner Brean asked if this would be an effort to carefully study what can be done to preserve ag lands in the Delta; Chairman McCarty replied there is a strong parallel to what the Commission would do for recreation, but probably a little more fundamental because it's identifying very specific resources that can contribute to economically viable agriculture.

Commissioner Shaffer said that DFA is staffing up for CALFED implementation and will bring on a couple of people this month. He encouraged people to think outside the box and use a broader definition of agriculture in terms of looking at tools and programs to farm for wildlife as well as farming for the traditional ag commodities, and part of farming for wildlife can include vegetation management for other uses of ag material.

Chairman McCarty stated that the DPC is being asked to consider sending this back to the Committee to negotiate a deal in terms of how the Commission, together with a

nonprofit partner(s) can pull together the resources to undertake this effort to map these soils, map these resources, and build on our body of knowledge.

On a motion by Commissioner Wilson and a second by Commissioner Calone, the Commission voted unanimously by voice vote to send the issue of working with a nonprofit partner back to the Ag Committee for further development and implementation.

13. Consideration and possible action to work with American Farmland Trust on development of programs of wildlife-friendly agriculture and landowner assurances in the Delta.

Chairman McCarty said that staff of American Farmland Trust (AFT) will brief the Commission on AFT's grant application for CALFED Ecosystem Restoration funds, and seek support and participation by the Commission in developing these programs, and possible future implementation of the developed programs.

Ms. Aramburu said this is a new idea that came to staff after the Ag Committee met earlier this fall. CALFED grant applications are due shortly. Mr. McCaull asked if the Commission could serve as a forum for discussion of any findings that they develop in their study, if they are funded through a CALFED grant. Ms. Aramburu said the DPC would not be a co-applicant on the CALFED grant nor have any responsibilities on preparing the study, however, the DPC would be able to provide a forum for public discussion and would be invited to comment to AFT, as AFT develops wildlife-friendly agricultural best management practices.

Mr. McCaull said there is a strategy for protecting agricultural land in the Delta Primary and Secondary Zone of the Delta. Some of land owners are specifically interested in easement arrangements or Williamson Act contracts. AFT will be working with many of those landowners on potential habitat enhancement and stewardship payments or other financial means to do those projects. We do not have individual restoration projects that we have in mind in the Delta. CALFED recognizes clearly in all their implementation plans and the ecosystem restoration program, that we also have to have an Ag land restoration strategy. There are two types of assurances: for the landowners that if they are going to do something for wildlife, that they know what the rules are and this has been termed 'safe harbor agreements' or other types of assurances; the other type of assurances that the agencies are going to look for is 'how do we know that land is going to stay in agricultural use, we're not supportive or interested in what kinds of crops should be grown, but with a changing agricultural and economic landscape, crops are going to change, landscapes are going to change: How can we come up with wildlife friendly practices. The AFT study would start talking about pilot projects, demonstration projects. CALFED is very interested in quantifying the benefits to wildlife from Ag friendly wildlife practices, so we need pilot projects. Some of that work on the ground will be by groups like Ducks Unlimited, and others will be with specific land owners. AFT would like to use the Delta Protection Commission as a forum to talk about these issues, whether it's the Ag Committee or the Commission meetings themselves.

Commissioner Wilson asked does AFT want the forum before the Ag Committee or before the full Commission?

Commissioner Sanders commented that we might want to consider the forum being the Commission as a whole simply because the DPC is a public body that meets in a public forum.

Commissioner Shaffer said both venues could be used, depending upon timing of issues, but certainly to have AFT come before the Ag Committee prior to review by the full Commission would be appropriate.

Commissioner Macaulay asked, if AFT is asking for the Commission's support tonight? Mr. McCaull said the Commission may want to prepare a letter of support after running the grant application.

Ms. Aramburu said consideration of a position of support was not agendized. If you would like to reconsider that as a supplemental matter to submit to CALFED, we could agendize that in November; or if just wanted to talk about being a forum, that is what is agendized. We could not direct staff to do a position letter at this point, according to our attorney.

Chairman McCarty said the agenda says 'seeking support and participation by the Commission'. Commissioner Coglianese said she is supportive of breaking it up into two steps as Ms. Aramburu suggested. Chairman McCarty acknowledged that what we can act on tonight is an approval to participate and act as a forum. Commissioner Coglianese agreed and that the whole concept of supporting it is encompassed within this.

Commissioner Macaulay said that the idea of bifurcating is certainly a prudent one. He suggested that Ms. Aramburu submit a letter to CALFED, so CALFED will know when this application is submitted, that the Commission did discuss it on this date, and that the Commission presumably would then consider a vote of support at the November meeting.

Chairman McCarty opened the public hearing.

Mr. Olen Zurkel, Agriculture Program Coordinator for Ducks Unlimited (DU), spoke in support of American Farmland Trust. He said DU also has a wildlife friendly ag proposal in to CALFED. If DU is funded, DU will have to come back to the local entities and get support. The DU program is a little different; they applied under a regional basis. They have an active wildlife friendly program in the North Valley and they are currently working up there with three very successful programs: A rice program incentives for winter flooding of rice, they get payments to the rice growers/land owners to winter flood; a very large fish screen program on Butte Creek where there is three million dollars already in planning toward a thirty million dollar project to screen agriculture wetland diversions; and 500 acres of agriculture easement. DU is also setting up workshops on the agriculture water quality issues for the North Valley. DU is proposing to expand the program from the North Valley down to through the Delta into the San

Joaquin region by adding another staff employee. DU is also seeking funds to update their GIS mapping program to include the Delta and the North San Joaquin Valley. DU would like the DPC to consider supporting DU's proposal, or at the Ag Committee, or the next Commission meeting.

Chairman McCarty closed the public hearing.

Commissioner Brean asked if it would be appropriate for the Commission to adopt a motion that basically says that we support the concept proposed by this group and are awaiting the final product for review and final comment.

Ms. Moe, said that would be acceptable, and is encompassed within the agenda.

On a motion by Commissioner Wilson and a second by Commissioner Sanders, the Commission voted unanimously by voice vote to support the AFT grant concept, subject to further review of the final product, and the DPC agrees to serve as a forum for discussion of issues associated with the project.

14. Adjourn.

The meeting was adjourned at 9:30 p.m.